

**Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session**

Part I: Measure Information

Bill Request #:	1136	Bill #:	SB 110 SCS 1
Document ID #:	5343	Sponsor:	Jason Howell
Bill Title:	AN ACT relating to motor vehicles.		

Unit of ☐ City ☒ County ☒ Urban-County
Government: ☒ Charter County ☒ Consolidated Local ☒ Unified Local

Office(s) Impacted: County Clerks

Requirement: ☒ Mandatory ☐ Optional

Effect on Powers
& Duties: ☒ Modifies Existing ☒ Adds New ☐ Eliminates Existing

Other Fiscal Statement(s) that may exist: ☐ Actuarial Analysis ☐ Corrections Impact
☐ Health Benefit Mandate ☐ State Employee Health Plan

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

SB 110 SCS 1 is a cost savings bill that:

- Streamlines, strengthens the security of the process when recording and releasing liens;
- Improves the flow of commerce for motor vehicle dealers and individuals;
- Allows the clerk to transfer funds from one internal account to another;
- Allows the clerk to pay other government agencies electronically;
- Defines the payment methods that the clerk can accept;
- Allows for the texting and emailing of tax notices;
- Establishes a fee for printing a paper title if the customer wants one, of which the county clerk retains \$4 if before January 1, 2027;
- After January 1, 2027, establishes that the fees for titles shall be set by the Cabinet. The county clerk shall receive 1/3 of that fee for an application for a printed title, 20% of the application fee for speed titles, and 40% of that fee for application for an ATV title;
- Saves the state money each year on the mailing costs of a paper title; and
- Increases the sheriff's inspection fee for a hail damaged vehicle from \$5 to \$15.

SB 110 SCS 1 directs the Transportation Cabinet to promulgate administrative regulations to establish fees paid to the cabinet and the county clerks for vehicle titling and registration. SCS 1 also requires the Transportation Cabinet to test the electronic titling and registration system in a pilot project of at least 10 counties prior to July 1, 2027.

The fiscal impact of SB 110 SCS 1 is indeterminate, but expected to have a minimal, but positive affect on local government revenue. The county clerks will save some time and expenditures as a result of SB 110 SCS 1. The bill would also provide additional county clerk revenue from customers that opt for a paper title. Using Anderson County as an example. The Anderson County Clerk processed 4,340 titles in 2024. If 15% of those customers chose to receive a paper title, the Anderson County Clerk's office could receive an additional \$2,604 in annual revenue.

Allowing the Transportation Cabinet to set the fees (through administrative regulation) that go to the county clerks for titling and registration may provide additional revenue for the clerks. This will also allow for easier adjustments of fees when the real costs of performing these duties increase for the cabinet and county clerks.

Data Source(s): LRC Staff, KY County Clerks Association

Preparer: BW **Reviewer:** JB (MDA) **Date:** 2/12/26